

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF GAS COST ADJUSTMENT            )  
FILING OF WESTERN LEWIS-                 )  
RECTORVILLE WATER AND GAS DISTRICT )     CASE NO. 92-331-PP

ORDER

On May 12, 1993, in Case No. 92-331, the Commission approved rates for Western Lewis-Rectorville Water and Gas District ("Western Lewis") and provided for their further adjustment in accordance with Western Lewis's gas cost adjustment ("GCA") clause.

On December 7, 2001, Western Lewis filed its GCA to be effective January 1, 2002. Western Lewis requests a waiver of the 30-day notice period because it did not receive its expected gas rates from its supplier until on or about December 6, 2001. As KRS 278.180(2) permits the Commission to shorten the required notice period for good cause, the Commission finds the utility's request should be granted.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Western Lewis's notice includes revised rates designed to pass on to its customers its expected decrease in wholesale gas costs. Western Lewis's proposed expected gas cost ("EGC") is \$5.9944 per Mcf, which is .26 cent per Mcf less than the prior EGC of \$5.9970.

2. Western Lewis's notice sets out no refund adjustment.

3. Western Lewis's notice sets out a current actual adjustment ("AA") of 9.03 cents per Mcf. Western Lewis incorrectly calculated its unit cost of gas. Correcting for this results in a current quarter AA of (3.36) cents per Mcf. Western Lewis's total AA is (1.19) cent per Mcf, which is 1.71 cent per Mcf less than the previous total AA.

4. Western Lewis's notice sets out a current quarter balance adjustment ("BA") of 7.99 cents per Mcf. Western Lewis incorrectly calculated its total balance adjustment amount. Correcting for this error results in a current quarter BA of (.91) cent per Mcf. Western Lewis's total BA is (.1) cent per Mcf, which is 1.23 cent per Mcf less than the previous total BA.

5. These combined adjustments produce a gas cost recovery rate ("GCR") of \$5.9815 per Mcf, which is 3.20 cents per Mcf less than the previous rate of \$6.0135.

6. The rates in the Appendix to this Order are fair, just, and reasonable, in the public interest, and should be approved for bills rendered by Western Lewis on and after January 1, 2002.

IT IS THEREFORE ORDERED that:

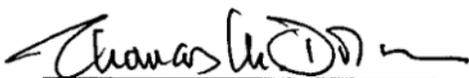
1. The rates in the Appendix to this Order are approved for bills rendered on and after January 1, 2002.

2. Within 20 days of the date of this Order, Western Lewis shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 17<sup>th</sup> day of December, 2001.

By the Commission

ATTEST:

A handwritten signature in black ink, appearing to read "Thomas H. [unclear]", written over a horizontal line.

Executive Director

